May sales in Canada match 1990

By Anne E. Wright
AUTOMOTIVE NEWS CHIEF STATISTICIAN

Light-vehicle sales in Canada in May were virtually the same as in the year-ago month. The total of 145,720 was down 173 units.

Car sales in May were 102,228, just above the 1990 total. Truck sales were 43,492, down 2.5 percent.

Mazda continued to notch hefty gains in both car and truck sales. Cars increased 35.2 percent over May 1990, and trucks were up 71.2 percent. For five months, Mazda sales were up 25.8 percent.

Other importers reporting sales gains for May included: BMW (6.0 percent), Honda (21.2 percent), Nissan (14.0 percent), Subaru (31.9 percent) and Suzuki (12.2 percent).

General Motors posted a 6.5 percent gain in car sales, countering a 1.6 percent drop in truck sales. That lifted GM's total sales 4.0 percent over May 1990.

Chrysler Corp. reported a 2.6 percent gain in truck sales while cars slipped 11.7 percent, leaving the company 6.0 percent behind the year-ago month. Ford Motor Co. reported double-digit drops for both cars and trucks, putting it 14.9 percent below May 1990.

Despite the bright spots, there is still widespread concern over the general softness of the market. Interest rates are falling, the economy is recovering and the market is awash in rebates and incentives. Yet five-month sales were down 4.1 percent from last year.

"We're not sure what they're waiting for," said a Ford spokesperson. "Incentives used to be used to get people off the dime; now, it's not working."

Staff Correspondent Alex Law in Toronto contributed to this report.

CANADIAN CAR AND TRUCK SALES

MAY 1991

	May 1991	May 1990	5 mos., 1991	5 mos., 1990
BMW (imported car)	426	402	1,650	1,517
N.A. car	10,795	13,124	44,550	50,715
Imported car	1,911	1,271	8,406	6,353
N.A. truck	9,700	9,385	41,360	35,257
Imported truck	143	210	538	936
CHRYSLER	22,549	23,990	94,854	93,261
N.A. car	15,009	17,316	59,625	66,846
Imported car	823	362	3,477	2,648
N.A. truck	10,879	13,697	42,024	56,198
FORD	26,711	31,375	105,126	125,692
N.A. car	35,015	32,972	122,595	133,151
Imported car*	845	510	2,118	1,825
N.A. truck	14,583	14,984	59,856	67,064
Imported truck	418	263	1,685	1,969
GM*	50,661	48,729	186,254	204,009
N.A. car	3,245	3,316	10,398	13,867
Imported car	9,758	7,417	34,977	28,846
HONDA	13,003	10,733	45,375	42,713
N.A. car	499	605	2,178	2,309
Imported car	1,705	1,887	7,159	7,276
HYUNDAI	2,204	2,492	9,337	9,585
JAGUAR (imported car)	75	120	301	520
Imported car	56	60	198	271
Imported truck	14	18	77	68
LADA	70	78	275	339
LAND ROVER (imported truck)	9	0	57	0
N.A. car	951	308	1,643	902
Imported car	3,055	2,655	14,573	12,118
Truck**	3,197	1,867	9,851	7,696
MAZDA	7,203	4,830	26,067	20,716
MERCEDES-BENZ (imported car)	409	436	1,530	1,782
N.A. car	961	0	2,786	0
Imported car	2,373	2,706	9,747	10,304
Truck**	1,227	1,295	5,265	6,217
NISSAN	4,561	4,001	17,798	16,521
PEUGEOT (imported car)	20	13	88	42
SUBARU (imported car)	861	653	3,749	2,987
N.A. car	178	34	581	90
Imported car	596	716	2,382	3,336
N.A. truck	559	196	1,831	389
Imported truck	337	543	1,786	2,742
SUZUKI	1,670	1,489	6,580	6,557
N.A. car	2,515	1,615	9,180	4,456
Imported car	6,103	8,367	22,366	29,988
Imported truck	2,291	2,026	8,482	7,805
TOYOTA	10,909	12,008	40,028	42,249
Imported car	3,737	3,806	14,709	14,316
Imported truck	135	130	349	357
VOLKSWAGEN	3,872	3,936	15,058	14,673
N.A. car	188	370	856	1,396
Imported car	319	238	1,171	1,049
VOLVO	507	608	2,027	2,445
N.A. car	69,356	69,660	254,392	273,732
Imported car	32,872	31,619	128,581	125,178
TOTAL CAR	102,228	101,279	382,973	398,910
N.A. truck	35,721	38,262	145,071	158,908
Imported truck	7,771	6,352	28,090	27,790
TOTAL TRUCK	43,492	44,614	173,161	186,698
TOTAL CANADA SALES	145,720	145,893	556,134	585,608

*Includes Passport and Saab sales.
**Breakdown of N.A.-built and imported sales not available.
NOTE: N.A. sales are cars and trucks built in the United States and Canada.
Source: Automotive News Data Center and Association of Intl. Automobile Mfrs. of Canada

DOMESTIC CARS, INVENTORY

	Units	Day's Supply June 1, 1991	Day's Supply May 1, 1991
Summit	4,400	152	149
Talon	9,700	80	90
Premier	2,700	53	72
Total Eagle	16,800	84	95
Horizon	200	78	96
Laser	12,500	99	137
Sundance	15,400	91	124
Acclaim	16,000	52	76
Total Plymouth	44,000	73	104
LeBaron A	5,500	88	114
LeBaron J	11,300	56	81
Fifth Avenue (fwd)	7,300	53	64
Imperial	2,600	62	104
New Yorker C	3,700	87	89
Total Chrysler	30,400	62	83
Omni	200	108	79
Shadow	19,200	62	91
Monaco	1,700	57	79
Daytona	9,000	148	185
Spirit	15,200	66	87
Dynasty	15,200	35	50
Total Dodge	60,400	57	82
CHRYSLER CORP.	151,700	64	89
Escort	62,100	80	100
Mustang	24,500	82	102
Tempo	33,100	60	53
Taurus	54,600	51	51
Thunderbird	20,800	74	95
Probe	21,900	70	86
Crown Victoria	22,200	97	79
Total Ford Div.	239,200	69	74
Topaz	12,100	56	52
Sable	18,000	51	50
Cougar	15,600	73	60
Grand Marquis	20,100	51	52
Total Mercury	65,800	56	55
Continental	7,600	35	59
Town Car	15,600	33	41
Mark VII	2,900	80	107
Total Lincoln	26,100	36	49
Total L-M Div.	91,900	48	53
FORD MOTOR CO.	331,100	62	66
Roadmaster	4,200	75	45
Somerset/Skylark	14,000	90	45
Century	17,600	50	49
Regal	26,500	69	56
LeSabre	20,600	73	82
Reatta	1,100	104	123
Electra/Park Ave.	24,200	82	86
Riviera	4,500	87	97
Total Buick	112,700	60	62
Allante	1,300	84	148
Seville	4,200	25	140
DeVille	27,200	57	61
Brougham	9,100	148	135
Eldorado	4,600	83	76
Total Cadillac	46,400	60	78
Geo Prizm/Nova	31,400	122	154
Cavalier	49,800	50	58
Camaro	16,900	80	88
Celebrity	0	0	27
Corsica/Beretta	47,800	48	62
Lumina	35,800	41	42
Caprice	36,400	74	81
Corvette	4,900	74	75
Total Chevrolet	223,000	55	62
Calais	20,100	134	103
Cutlass Ciera	29,500	58	61
Cutlass Supreme	22,500	62	71
88	22,300	129	106
98	14,800	82	75
Toronado	1,800	45	73
Total Oldsmobile	111,000	79	79
Sunbird	22,300	66	66
Firebird	9,900	111	134
Grand Am	45,100	64	76
Pontiac 6000	5,900	42	60
Grand Prix	21,800	51	73
Bonneville H	14,[illegible]	[illegible]	105
Total Pontiac	119,[illegible]	[illegible]	78
Total Saturn	10,400	40	51
GENERAL MOTORS	623,300	62	68
HONDA	80,000	46	61
MAZDA	14,000	54	66
MITSUBISHI	19,000	102	88
NISSAN	24,400	54	54
TOYOTA	41,500	32	54
SUBARU	24,100	174	150
DOMESTIC TOTAL	1,319,400	60	66

Car stockpile dips to 65 days; imports fatter

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

An upturn in May sales combined with lean production helped most manufacturers reduce inventories of unsold cars significantly.

The industry had a 65-day supply of cars on June 1, compared to 75 days a month earlier. The year-ago figure was 63 days.

Domestic manufacturers, including transplants, showed a 60-day supply, down from 68 on May 1 and 60 on June 1, 1990. Imports had an 82-day supply. That was down from 93 days on May 1, but it was higher than the year-ago import figure of 74 days.

Inventories fell as May car sales topped April by about 79,000. Meanwhile, U.S. car production was the lowest for May since 1982.

Chrysler Corp. had the heaviest days' supply of the Big 3 — 73 days vs. 65 days each for General Motors and Ford Motor Co.

Toyota Motor Sales U.S.A. Inc. had the leanest supply of any major manufacturer, at 32 days (U.S.-built and imported).

Nissan Motor Corp. in U.S.A. had the fattest inventory of the leading Japanese makers at 92 days. Its inventory of U.S.-built cars was 54 days, and its stockpile of import cars was 109 days.

Mitsubishi Motor Sales of America Inc. jumped to [illegible]-day supply from 29 a month earlier. Mitsubishi imports were stable at 97 days, but its inventory of U.S.-built cars grew to 102 days from 60.

IMPORTED VEHICLES, INVENTORY

	Units	Day's Supply June 1, 1991	Day's Supply May 1, 1991
Car			
Chevrolet	56,500	139	141
Chrysler	29,200	307	257
Dodge	5,500	38	93
Acura	32,500	61	67
Daihatsu	800	39	46
Honda	25,700	43	58
Infiniti	5,100	48	48
Isuzu	11,600	159	270
Lexus	7,600	38	46
Mazda	26,200	46	55
Mitsubishi	30,000	97	98
Nissan	102,800	117	149
Subaru	16,800	107	84
Suzuki	2,500	117	179
Toyota	41,300	32	47
JAPAN	394,000	73	88
Audi	9,300	188	257
BMW	11,100	65	87
Mercedes-Benz	11,700	54	59
Mercury	22,500	128	115
Porsche	2,000	110	126
VW	52,000	137	151
GERMANY	108,000	107	119
Alfa Romeo	2,000	140	112
Ford	17,200	128	121
Hyundai	31,600	89	82
Jaguar	2,900	146	97
Peugeot	800	70	71
Pontiac	10,700	83	84
Eagle	5,700	189	215
Saab	5,100	76	34
Sterling	500	60	54
Volvo	27,800	107	106
Yugo	900	205	180
Other Countries	105,200	102	91
Total Import Cars	607,900	82	93
Truck			
Daihatsu	500	48	59
Chevrolet	11,700	89	130
Isuzu	39,500	112	137
Mazda	25,300	56	88
Mitsubishi	8,600	117	87
Nissan*	53,400	93	69
Range Rover	800	87	97
Suzuki	4,700	78	86
Toyota	33,200	35	44
Dodge	2,700	181	212
Total Imp. Trucks	180,400	89	78
Total Imp. Vehicles	788,300	78	88

*Includes domestic vehicles

Ceramics called diesel fuel saver

But MIT researchers find few benefits for gasoline engines

By A.S. Plotkin
SPECIAL CORRESPONDENT

CAMBRIDGE, Mass. — Research at Massachusetts Institute of Technology's Sloan Automotive Laboratory has concluded that the use of ceramic materials could lead to significant fuel savings in big diesel engines — but not in automotive gasoline engines.

Professor John B. Heywood, the lab's director, said that despite earlier optimism for use of ceramics in auto engines, "the benefits would not be big."

"I am not saying that ceramics are dead for such uses," Heywood said. "There are opportunities, but they would be piece by piece." He cited as possibilities the use of small ceramic components in the valvetrain and piston rings.

But the institute's work with ceramics led unexpectedly to discoveries in another area: lubrication.

"Our work emphasized that we did not understand very well the lubrication of pistons and rings inside the cylinders," said Heywood. "With ceramic diesels, the components would run several hundred degrees (Celsius) hotter."

The big push for research in thermal insulation with ceramics came about 10 years ago, he said.

The idea was that there would be less loss of energy to the walls of the cylinder and the cylinder head, that some of that energy could be converted to work and that efficiency would go up.

But Heywood said researchers found that gasoline-fueled engines developed severe engine knock.

"Also, if the walls get hot, you get less air into the cylinder, and the power level drops," he said.

Heywood said a better payoff is more likely with big diesels, which have turbochargers, "so you can counter the effect of the hot walls, by running the turbocharger at higher pressure."

David Hoult, a Sloan lab specialist in lubrication, worked on lubricating problems associated with ceramics engines, said Heywood.

"Dr. Hoult looked particularly at the critical area where the lubricant flowed between the piston rings and the cylinder linings," said Heywood.

"He measured how thick the lube film is between the liner and the rings and the piston. That developed in a major way — a laser-based optical system that gives a direct measurement of how thick the oil flow actually is. We can do that while the engine is running. And we now have a five-year program in this area."

Asian franchise plans for the '90s

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

A company-by-company look at franchise growth strategies:

Acura

Acura is looking to fill "some gaps in the map," says Ed Taylor, Acura Division's vice president of sales. With more than 600,000 Acuras on the road today and the total increasing, the division will need more dealers to handle increased parts and service business.

Taylor: filling in the gaps

Non-metro markets will get the bulk of Acura's attention. Although Taylor says the division is not planning to grow beyond its current 302 dealers immediately, Acura's staff is doing the groundwork now "to add dealers in 1992, on the assumption that the economy will have turned the corner."

Daihatsu

Daihatsu America Inc. is stuck in a Catch-22. The company has only two products, limited advertising resources, a 17,000-car import quota and little name recognition. It has 235 dealers in 22 states, and while it needs national distribution in order to make real sales gains, Daihatsu can't hope to expand without lifting other constraints on its business.

Brown: hopes for 750 dealers

Executive Vice President C.R. "Dick" Brown says he'd eventually like to have 750 dealers in all 50 states. More immediately, he wants to get 1992 products launched on time so that current dealers can begin to count on Daihatsu.

Honda

Honda has added an average of 20 dealers a year for the last 10 years but only three dealers so far in 1991, for a total of 977. According to Bob Rivers, the division's Western regional sales manager, Honda hopes to have "upward of 1,000 dealers."

"We feel adequately represented in every market," he says. "We're looking more at upgrading dealers and expanding facilities now."

Hyundai

See story on Page 43.

Infiniti

Infiniti plans to add 20 dealers this year and in each of the next four, says Bill Bruce, the division's general manager. Under that plan, Infiniti would have 160 dealers in 1994.

Bruce: goal is 160 by '94

Infiniti entered the market in 1989 with 50 dealers in 25 states and aimed to penetrate key metro markets in the first two years. Now, Infiniti will start moving into smaller markets with populations of 500,000 to 1 million, such as Memphis, Tenn.

Bruce would like to have Infiniti retailers in 34 states by Dec. 31. Decisions on a third tier of markets and dealers will be part of the next five-year plan.

Isuzu

A 16,800-car import quota restricted American Isuzu Motors Inc.'s plans during its early years in the market. The company countered by opening truck outlets, which helped spread Isuzu's name.

O'Connor: new showroom plan

From 1982 to 1985, Isuzu's only dealer growth came from adding truck dealers. The last of those truck-only dealers will be converted to full-line dealers this year, according to Jerry O'Connor, Isuzu's vice president of marketing and service.

Over the years, Isuzu has also moved from requiring free-standing separate showrooms for its full-line dealers to simply requiring separate showrooms. Now, it's accommodating dealers who must put more than one nameplate in a single showroom. Isuzu is working on an "environmental showroom" to help dealers create a distinct Isuzu look in a dualed situation.

Lexus

Lexus wants to have at least one dealer in every state 12 months from now, says J. Davis Illingworth, the division's general manager. Currently, Lexus dealers are in 39 states. The division wants to enter markets like Mobile, Ala., and Little Rock, Ark., while increasing its presence in key metro markets.

Illingworth: one for every state

Illingworth says he's more concerned with maintaining "a consistent look" to Lexus' dealerships instead of demanding exclusives.

While the official company line still rules out dualed showrooms, Illingworth concedes that exceptions have been made.

At the high-volume Westlake Auto Center in Westlake Village, Calif., for example, Lexus allowed a dual with Acura in order to sign the dealer and get freeway exposure.

Mazda

Mazda's most immediate concern is working with dealers to launch five new products effectively in the next 12 to 18 months. George McCabe, group vice president of operations at Mazda Motor of America Inc., admits that all the new products will stretch Mazda and its dealers.

McCabe: focus on new cars

McCabe says he'd like to "sell 500,000 units annually with 900 dealers in the next few years. Last year Mazda sold almost 350,000 with 876 dealers. "We have no master plan to expand," he says. "But we know we're light in some areas, especially where we're out-dealered by the competition, where we're losing market share or where there's significant population growth."

McCabe says Mazda needs more representation in Los Angeles, for example, where its bigger Japanese competitors have more dealers.

Mitsubishi

Mitsubishi Motor Sales of America Inc. had a big surge in the late 1980s as it prepared to absorb production from its U.S. assembly plant. But that growth has been slowed by the recession and as the company concentrates on moving the group upscale to sell such products as the Diamante.

The soft market is making it harder and harder for dealers to give the company the exclusivity that it has asked for. Mike Raumschuh, manager of dealer development, says Mitsubishi will continue to require separate sales areas but will relax certain rules that require dealers to have separate parts and service facilities.

Raumschuh says the company would like to add 40 dealers by the end of the year, mostly in metro markets. With the arrival of new products during the next several years, Mitsubishi will also have to decide whether to expand into much smaller markets.

A key part of Mitsubishi's arsenal is a franchise investment program in which the company actually controls a dealership, or at least the land, in order to ensure representation in key markets. The company will use the relatively new program more and more, according to Raumschuh.

Nissan

Nissan has no plans to increase its dealer count, says Jules Clavadetscher, the division's general sales manager. Instead, Nissan is working on a new "market representation program" that will help the company work with dealers to upgrade their facilities. Clavadetscher says Nissan is not concerned with having as many dealers as Toyota and "looks at each market on its own to decide if we need more representation."

While a number of dealers are involved in disputes with Nissan Motor Corp. in U.S.A. about Nissan's push for upgraded stores or its intention to add some points, Nissan insists that its primary concern is dealer profitability. New incentive programs and infrastructure changes are helping dealers make more money and get it faster. As an example, Nissan has started depositing incentive money directly into dealership bank accounts.

Subaru

Subaru of America Inc. says its 729 dealers are enough. Whether they're all the right type or in the right place is another question. Subaru's four-wheel drive prowess has given the company an almost cultish following in places like West Virginia, New England and Colorado. But Subaru needs to become stronger in other markets.

Wackman: happy with 729

"If we're going to be successful with the SVX (Subaru's slick new sports car), we're going to have to rely on dealers who haven't typically been big sellers," says Chris Wackman, vice president of marketing. He cites California as a perfect example. "The car is perfect for L.A., but we have to get the word out and help our dealers do that.

"We know we're not going to be anybody's primary franchise, but we need to get them to put some effort behind it. We still have some 'why not' dealers out there, dealers who took on the line because they figured it'd be easy enough to stick on their lot with another franchise. But we need more from them than that now."

Suzuki

As a small player in the United States, American Suzuki Motor Corp. is between that proverbial rock and a hard place. It tries to grow, but is hampered by a limited lineup and an overburdened production system. While it has gotten around tight import quotas by building Swifts in Canada, the company is at the mercy of its Japanese parent, which determines how to balance allocation between Suzuki and its partner, General Motors. In addition, all but five of its dealers share space with other brands.

Anderson: modest requests

In spite of that, Suzuki has added 15 dealers since the beginning of the year. National sales manager Gary Anderson says he hopes to continue to expand and cites the Northwest, Utah and some Eastern states as needs.

Anderson says he thinks dealers are approaching Suzuki because the company makes relatively modest requests in terms of capital or facility. In fact, all Suzuki asks is that a prospective dealer has room enough to display two Suzuki products in his showroom. In small markets, Suzuki will drop the requirement to one.

Toyota

Toyota calls itself "a 1,200-dealer operation," says Al Wagner, group vice president of sales. But the division actually has 1,181 dealers, down eight from the beginning of the year. Wagner admits that "the number changes every day" and that "there have been some dealers lost to the recession."

Wagner: lost eight this year

"Truthfully, we're where most of the market is right now," he says. Wagner says Toyota will add dealers to "accommodate population shifts in different regions and in areas where we suddenly need service support."

Wagner would like to see some dealers in better facilities. "But when business is difficult, it's not a good time for us to talk to dealers about expansion," he says.

Like other companies, Toyota has a dealer development program that gives financial help to select dealer candidates. In some instances, Toyota in effect becomes the dealer principal's partner.

Asian carmakers map dealer strategy
Dealer numbers and states served as of June 1991
Acura
302 in 44 states
Looking to fill in "gaps in the map."
Daihatsu
235 in 22 states
Dilemma: too few dealers, too few products and quota restraints.
Honda
977 in 50 states
"Second-generation" plan looks to upgrade, not expand, dealer body.
Hyundai
459 in 48 states
"Pushing hard" to get more dealers, especially in secondary markets.
Infiniti
89 in 30 states
Looking to add "20 a year," especially in markets with 500,000 to 1 million people.
Isuzu
594 in 50 states
Converting remaining truck-only dealers this year as part of modest growth and upgrade plan.
Lexus
123 in 39 states
Expects to have dealer in every state within 12 months.
Mazda
876 in 50 states
Focus is on new products more than on new dealers, although Mazda doesn't like being "out-dealered by Honda, Toyota and Nissan."
Mitsubishi
503 in 50 states
Looking to upgrade dealers and guarantee representation in key markets with franchise investment program.
Nissan
1,107 in 50 states
Will assess growth market by market.
Subaru
729 in 50 states
Knowing it's "not going to be a primary franchise," Subaru looks for new dealers and new commitment from old dealers.
Suzuki
305 in 48 states
Product availability holding back expansion.
Toyota
1,184 in 50 states
Growth possible in new population centers or where there's untapped service business.
AUTOMOTIVE NEWS / DAVID L. BURNHAM

INCENTIVE WATCH
CUSTOMER INCENTIVES

CONTINUING PROGRAMS

CHRYSLER CORP.
Rebates expire June 30 unless otherwise noted. Finance rates in lieu of rebates are 4.9 percent to 9.9 percent, depending on length of contract. Finance rates on minivans are 7.9 to 10.9 percent.

Chrysler (1991)*	$1,000-1,500
1990	$500-1,000
Dodge Monaco (1991)*	$1,500
Other 1991 cars*	$400-1,000
Monaco (1990)*	$1,500
Other 1990 cars	$700-1,000
Dodge trucks (1991)	$300-1,500
1990 trucks	$500-2,000
Eagle Premier (1991)*	$1,500
Other 1991	$700
Premier (1990)*	$1,500
Other 1990	$700-1,000
Jeep	
Grand Wagoneer ('91)**	$1,500
Other 1991	$500-1,000
Grand Wagoneer ('90)**	$1,500
Other 1990	$1,000-2,000
Plymouth (1991)	$400-1,000
1990 models	$700-1,000
All minivans without air bag (1991)	$500
1990 models	$1,500

*Expires Sept. 30 on 1990-91 Monaco and Premier and 1991 LeBaron and Daytona
**Expires Dec. 31 on Grand Wagoneer

FORD MOTOR CO.
(1990-91 models. Finance rates in lieu of rebates are 4.8 percent on Festiva, Escort (except Pony), Tracer; 7.9 percent on others. Terms are 24, 36 or 48 months. All incentives expire July 30.)

Ford Festiva, Escort Pony and LX, hatchbacks, Mustang	$500
Escort wagon, GT	$750
Tempo	$600
Thunderbird	$600-750
Taurus	$750
Taurus SHO	$1,600
Probe	$1,000
Crown Victoria (1991)	$1,500
F series, Econoline (1991)	$500
Ranger, Aerostar, F series (over 8,500 gvw)	$1,000
Econoline E150 (1990, with conversion pkg.)	$1,500
Econoline E150 (1991, with conversion pkg.)	$1,000
Bronco	$1,500
Mercury Tracer sedan	$500
Tracer LTS and wagon	$750
Topaz, Capri	$600
Cougar	$600-1,000
Sable	$750
Grand Marquis (1991)	$1,000

GENERAL MOTORS
All makes except Cadillac offer cut-rate financing in lieu of rebates. Unless otherwise noted, rebates expire July 7 on 1991 models.

Buick (1991)*	$250-2,000
Cadillac Brougham (1991)	$1,500
Chevrolet	
S Blazer (1991)	$1,000
Other 1991	$300-1,000
GMC	
Suburban (1991)**	$1,000
Other 1991	$500-1,000
Oldsmobile (1991)	
Regional incentives	$500-2,250
Pontiac Grand Am ('91)	$1,000

*Based on option package selected.
**Expires Sept. 25

HYUNDAI (expires July 2)

Excel (1990-91)	$500-1,000
Sonata (1990-91)	$1,000
Scoupe (1991)	$750

MAZDA (expires Aug. 2)

Trucks (1991)	300-1,300*

*Based on region

MITSUBISHI (1990-91 models; expires June 30)

California	
Base Galant	$500
Base Eclipse	$500
Base pickup	$650
Hawaii	
Mirage	$500
Eclipse, Galant, pickup	$750
Montero	$1,500

SAAB
3.5 percent financing on 9000 models (1991) for 24, 36 or 48 months with downpayment of 25 percent. Expires July 31.

SUBARU (1991, expires July 2)

Loyale	$500
Legacy L	$750
Legacy L Plus	$900-2,000
Legacy LS	$1,200-$1,400
Legacy LSi	$1,200-1,700
Legacy Spt. Sed.	$1,000
XT, XT6	$2,000

INCENTIVE WATCH
DEALER INCENTIVES

NEW PROGRAMS

FORD MOTOR CO. (expires July 31)
Ford Escort (1991), Crown Victoria (1990-91-92) and F-series pickup (1990-91)

100 percent of quota	$500-15,000
110 percent of quota	$750-22,500
120 percent of quota	$1,000-30,000

Dealerships divided into seven groups, based on number of units in quota. Payments listed above are the range of total amounts for the seven groups.

Program includes Mercury Tracer (1991) and Grand Marquis (1990-91-92) for Ford-Mercury dual dealerships.

TOYOTA (expires Aug. 2)

Corolla	$300-900, based on number sold
Camry, trucks	$300-1,100, based on number sold

CONTINUING PROGRAMS

CHRYSLER CORP.
Premier and Monaco programs expire Sept. 30; others expire June 30.

Dodge Spirit (1990-91)	$500
Monaco (1991)	$1,000-2,000 based on sales, plus $1,000 for each car ordered from factory
Monaco (1990)	$1,000-2,000, based on sales
Eagle Premier (1991)	$1,000-2,000 based on sales, plus $1,000 on each car ordered from factory
Premier (1990)	$1,000-2,000 based on sales
Jeep Grand Wagoneer (1990-91)	$3,500
Plymouth Acclaim (1990-91)	$500
Caravan, Voyager (no air bag) 1991	$500

GENERAL MOTORS

Chevrolet Corvette	$2,000

HONDA (expires July 3)

Civic 4-door (1991)	$400
Accord (1990)	$400
Accord (1991, except EX)	$400
Accord wagon (1991)	$750

HYUNDAI (1991, expires July 2)

Scoupe, Sonata	$100-300, based on sales

ISUZU (expires June 30)

1990-91 models	$800-2,000 based on sales

MAZDA (expires July 2 on cars, Aug. 2 on MPV)

626, MX-6 (1991)	$1,000
MPV (1991)	$800

MITSUBISHI* (1990-91 models; expires June 30)

Mirage	$250-1,200
Galant	$200-1,700
Eclipse	$200-1,700
Pickup	$200-1,500
Montero	$200-1,800

*Mitsubishi rebates differ by region. Some are flat payments, some are based on number sold; some are based on performance against quota.

NISSAN (1991, expires Aug. 2)

Sentra E, XE, GXE	$400
Stanza	$1,400
Maxima	$800-1,000, quota
240SX	$600-800, quota
300ZX	$1,500
Trucks	$1,200
Trucks (California only)	$1,300-1,500, quota
Pathfinder	$1,000-1,400, quota

PEUGEOT (1990, no expiration date) $2,000

SUZUKI (expires Aug. 2)

Swift (1990-91)	$400-1,000
Sidekick (1990)	$1,000
Sidekick (1991)	$300-1,000

VOLKSWAGEN

Golf, Jetta (1991, expires June 30)	$500, based on number sold
All cars (1990, no expiration date)	$500-1,500

VOLVO (expires June 30)

740 and 940-SE (1991)	$1,500

Ford revives dealer rebates

By Darrell Pressley
SPECIAL CORRESPONDENT

Ford Division has returned to dealer rebates with a program that pays up to $30,000 to outlets that sell 120 percent of their quota of Escort and Crown Victoria cars and F-series pickup trucks.

Toyota Motor Sales U.S.A. Inc. also has a dealer cash program. It applies to Corolla and Camry cars and to trucks.

Ford Motor Co. dropped dealer incentives April 8 in favor of an extensive program of customer rebates. Those payments were extended or sweetened June 5.

Ford Division's dealer rebates differ from the norm in that they involve a lump-sum payment rather than a per-vehicle payment. The program ends July 31.

Dealerships are divided into seven groups, based on the number of units in their quotas. There is no payment unless the dealership reaches 100 percent of its quota. Reaching 110 percent of quota brings a 50 percent bonus; reaching 120 percent brings a 100 percent bonus.

A dealership in the lowest quota group (12 units of less) can earn $500-$750-$1,000 for hitting 100-110-120 of quota. A dealership in the top segment (115 units or more) can get $15,000-$22,500-$30,000 for reaching 100-110-120 percent.

Vehicles in the program are the 1991 Escort, 1990 to 1992 Crown Victoria and 1990 to 1991 F-series pickups. For Ford-**Mercury** duals, the 1991 Tracer and the 1990 to 1992 Grand Marquis are included. This is the first rebate, either customer or dealer, on the 1992 Crown Victoria and Grand Marquis.

Toyota dealer bonuses are based on vehicles sold through Aug. 2. Dealers will receive $300 to $900 on Camry and Corolla models with an added $200 bonus on Camrys.

The rebates are $300 to $700 on pickup trucks, with a bonus $200 to $400 on base models. Payments are determined by the number of vehicles sold.

Japan's Big 3 lower U.S. forecasts

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Japan's three biggest carmakers tentatively acknowledged last week that the cuts they made in U.S. exports during the Persian Gulf war are not going to be recouped anytime soon.

Toyota Motor Corp., Nissan Motor Co. and Honda Motor Co. cut U.S. shipments by a combined 70,000 units earlier this year in response to weak demand in the American market. At the time, the companies said they would maintain output and absorb the surplus in the home market.

Honda, the first Japanese carmaker to respond to the lower sales that accompanied the Gulf crisis, cut production by 20,000 units in Japan and 5,000 units in Ohio from January to March, but did not lower its original U.S. sales goal of approximately 900,000 units.

A Honda spokesman said last week that although conditions in the United States are improving, "it would be very difficult to achieve" its sales goal. Honda's U.S. sales through May were off 8.5 percent from a year earlier.

A spokesman for Nissan, which trimmed production by about 5,000 units in March, said the company now expects U.S. sales for the fiscal year ending in September to fall 70,000 short of its target of 670,000 units. The company said it does not now foresee a rebound in the American market until October at the latest.

A Toyota spokesman said last week that the automaker, which has reduced U.S.-bound production by 40,000 units through June, continues to take a "wait-and-see" approach to the U.S. market and that it has not revised its calendar 1991 forecast of 1.07 million sales.

According to Japanese press reports, however, company President Shoichiro Toyoda conceded that U.S. sales would fall about 70,000 short of target for the year. Toyota was off 9.1 percent through the first 10 days of June.

Luxury tax repeal has retroactive clause

By Diana T. Kurylko
and Jim Henry
AUTOMOTIVE NEWS STAFF REPORTERS

A bill that would repeal the federal luxury tax has been written in a way that would keep buyers from putting off purchases while waiting to see if the tax disappears.

Senate Minority Leader Robert Dole, R-Kan., introduced a bill that would repeal the tax on high-priced automobiles, boats, jewelry and furs. If it passes, it would be retroactive to June 11, the date of its introduction.

Dole was swayed at the last minute to make June 11 the enactment date instead of the customary date of signature by the president, said Robert McElwaine, executive director of the Federation Against Inequitable and Regressive Taxation.

"Auto dealers feared the entire year's luxury car sales would have been shot otherwise, because buyers would have put off purchases to see if the bill is passed," said McElwaine, former president of the American International Automobile Dealers Association.

The tax, which took effect Jan. 1, adds a 10 percent surcharge to the amount of a car's purchase price over $30,000. It has been widely blamed for a sharp drop in luxury car sales, particularly European models, this year.

But that view was challenged by an administration official.

"The tax has been in effect for less than six months, a period which coincided with the economic downturn," Kenneth W. Gideon, assistant secretary of the treasury for tax policy, told the Senate Finance subcommittee on taxation. "It is simply too early to assess what its actual impact will be."

Gideon said the administration was opposed to repeal of the tax on boats.

A companion bill in the House of Representatives was introduced on June 10 by Rep. Dick Armey, R-Texas, but his bill would not repeal the tax until enacted.

Meanwhile, two of the companies which feel they've been most hurt by the luxury tax, Jaguar Cars Inc. and Rolls-Royce Motor Cars Inc., have begun paying the luxury tax for their customers.

Through May, Jaguar's 1991 sales were down 56.4 percent. Rolls-Royce only reports sales figures once a year, but the company acknowledges its 1991 sales are down "more than 50 percent." Rolls-Royce previously averaged about 100 cars a month.

Jaguar had been paying the luxury tax on its XJ-S coupes and convertibles already, but as of June 1 the company expanded the offer to its XJ6 sedans as well. The offer lasts through July 31. If Jaguar had paid the luxury tax on all models sold in May, it would have cost the company at least $1 million.

The Rolls-Royce luxury tax offer began June 10 and runs through July 15. The luxury tax on the least expensive model in the lineup, the Bentley Eight, is $9,350, so assuming the company sold 50 of those last month, the offer would have cost the company at least $467,500. The luxury tax on the most expensive model, the Corniche convertible, is $19,590.

BRICKLIN

FROM PAGE 2

Bertones after October 1984 and Pininfarinas after February 1985 constituted a breach of contract.

Showing typical bravado, Bricklin took a cavalier attitude toward the Bednariks' lawsuit. The court noticed and observed in the ruling that Bricklin and his companies exercised bad faith conduct, which included concealing evidence and giving false testimony. It described Bricklin's action as a "classic pattern of tactically motivated obstruction."

As a result, sanctions of $39,479 against Bricklin and his disbarred lawyer were ordered and the judge dismissed Bricklin's $3 million suit against the Bednariks.

In 1988, Bricklin sold his share in Yugo America reportedly for $20 million, but sources say he received only a portion of that money.

Bricklin has had a series of automotive-related ventures. He founded Subaru of America in 1968. He launched his own carmaking company several years later to build a gull-winged sports car, but that venture ended in bankruptcy.

In recent years, Bricklin has tangled with the Internal Revenue Service and was mired in a myriad of lawsuits relative to his Colorado ranch.

Two years ago he planned to create the first national dealership chain comprising 1,000 points. But he failed to gain the support of manufacturers for the venture or the financing.

Earlier this year he announced yet another venture — a national chain of 50 used-car lots and remanufacturing centers to recondition the vehicles.

PRODUCTION

SCHEDULED PLANT CLOSINGS

Plant	Weeks down	Units lost/ week
GENERAL MOTORS		
Detroit/Hamtramck, Mich.	**6/17**	
Buick Riviera		*
Cadillac Eldorado		
Cadillac Seville		
Olds. Toronado		
Lansing, Mich. (A plant)	**6/17**	*
Buick Skylark		
Oldsmobile Calais		
Lansing, Mich. (B plant)	**6/17**	*
Pontiac Grand Am		

*Model changeover

Source: Automotive News Data Center

EUROPE

FROM PAGE 2

alyst Philip Wylie of Salomon Brothers in London. "But it's not just a matter of meeting the competition faster. If you cut a year off the cycle time you've cut a year off engineering costs."

The lack of a timely response to the red-hot Opel Vectra/Vauxhall Cavalier, introduced in the fall of 1988 — only seven years after its predecessor — has hurt most. The Sierra replacement is considered crucial, but industry observers say it already is two years too late.

Indeed, in a bid to get product to market as quickly and as cheaply as possible, Ford has moved to co-develop some of its new vehicles.

In a major venture that began taking shape last year, Ford and Volkswagen AG have agreed to build a new plant in Portugal to produce minivans for both brands.

A Ford spokesman confirmed last week that Portugal had agreed to pay one-third of the project's $2.6 billion cost. The agreement must now be approved by the European Commission, the executive arm of the European Community, to determine whether the subsidy violates EC rules.

The jointly owned facility, including stamping plant, will be located in Palmela, about 20 miles southeast of Lisbon, and will employ about 5,200. Production will begin in the summer of 1995, with an annual output of 170,000 units reached by 1996 and split 50-50 between the partners.

Detailed engineering work on the new minivan is scheduled to begin this summer, but the basic plan calls for a front-wheel-drive, high-roof vehicle with transverse-mounted engine and optional seat configurations for six to eight.

The Ford/VW minivans will share bodyshells, all sheet metal and glass components, but have different grilles, headlights and wheels. Each will install its own engines.

In a similar venture, Ford also has agreed to co-develop a new sport-utility with Nissan Motor Co. to compete with GM Europe's forthcoming Frontera rather than rebadge the 11-year-old Nissan Patrol. The new vehicle, to be produced in Spain, will be on the market in 1993.

In another example of an interim step the company has taken to fill product gaps in Europe, Ford of Germany last year began importing the U.S.-built Probe to take on GM's hot-selling Calibra. In the wake of tepid response to the car, the company no longer characterizes the car as its Calibra fighter.

The minivans will benefit heavily from Ford development work on the new mid-sized model that late next year or in early 1993 will replace the nine-year-old Sierra. The multi-billion-dollar project, dubbed CDW27 internally, also will replace the North American Tempo/Topaz.

The car represents the first example of Ford's Centers of Responsibility approach, which assigns development of specific product segments to different engineering units around the world.

The CDW27 program is on schedule and, according to a Ford of Germany official, "It is important to us that it stays on time."

Ford has decided to stick with the Sierra name in Europe and has opted for "evolutionary" styling changes in contrast to the revolutionary design of the 1982 Sierra. The U.S. version will have different front and rear treatments. But unlike the current Sierra, the new model will have fwd and transverse engine for more interior space.

The new Sierra, which has a longer wheelbase and shorter overhangs, will be offered as a four-door sedan, five-door hatch, four-door station wagon and a coupe that will become the new Capri.

Ford's Zeta four-cylinder engine range that debuts in the Escort this fall will be used. The new MTX75 transmission and a forthcoming, higher-torque continuously variable automatic transmission fitted to the Zeta also will be available on the Sierra replacement.

U.S. CAR

	Week Ended June 15, 1991	Week Ended June 8, 1991	June to Date	Jan. 1 to June 15, 1991	Jan. 1 to June 16, 1990
Horizon	0	0	0	0	4,327
Sundance	1,900	0	1,900	18,486	36,701
Acclaim	2,500	2,523	5,023	38,809	46,451
Total Plymouth	**4,400**	**2,523**	**6,923**	**57,295**	**87,479**
LeBaron A	0	0	0	0	9,325
LeBaron J	0	0	0	18,697	21,414
N. Yorker C-Class	300	0	300	3,551	19,578
Fifth Avenue	1,100	0	1,100	14,128	15,046
Imperial	200	0	200	3,314	7,842
Total Chrysler	**1,500**	**0**	**1,500**	**36,690**	**73,205**
Omni	0 *	0	0	0	4,078
Daytona	0	0	0	4,936	15,313
Shadow	2,800	0	2,800	21,949	42,704
Dynasty	2,000	0	2,000	51,965	54,266
Spirit	2,200	2,284	4,484	35,010	44,355
Total Dodge	**7,000**	**2,284**	**9,284**	**117,300**	**160,716**
CHRYSLER CORP.	**13,000**	**4,807**	**17,807**	**214,375**	**321,400**
Escort	5,719	5,739	11,458	88,203	98,011
Mustang	3,481	3,574	7,055	39,132	69,383
Tempo	3,004	2,927	5,931	51,386	65,501
Taurus	9,094	9,350	18,444	157,369	173,883
Thunderbird	0	2,601	2,601	35,213	56,266
Total Ford Div.	**21,298**	**24,191**	**45,489**	**371,303**	**463,944**
Topaz	1,396	1,478	2,874	21,684	24,487
Cougar	0	1,719	1,719	26,235	38,143
Sable	3,118	3,116	6,234	50,584	50,401
Total Mercury	**4,514**	**6,313**	**10,827**	**98,503**	**113,031**
Continental	1,100	1,113	2,312	26,747	27,979
Mark VII	215	191	406	4,679	11,848
Town Car	2,836	2,632	5,468	62,949	77,741
Total Lincoln	**4,250**	**3,936**	**8,186**	**94,375**	**117,568**
Total L-M Div.	**8,764**	**10,249**	**19,013**	**192,878**	**230,599**
FORD MOTOR CO.	**30,062**	**34,440**	**64,502**	**564,181**	**693,643**
Skylark	0	0	0	34,929	42,877
Century	2,488	2,402	4,890	41,652	32,401
Riviera	0	0	0	4,204	11,332
Electra/Park Ave.	2,905	0	2,905	45,753	17,151
LeSabre (fwd)	160	80	240	34,715	80,569
Roadmaster Sedan	560	560	1,120	7,860	0
Roadmaster Wagon††	288	350	638	10,464	4,165
Reatta	0	0	0	1,206	4,266
Total Buick	**6,401**	**3,382**	**9,783**	**188,783**	**192,761**
Eldorado	0	0	0	6,395	10,436
Seville	0	0	0	12,909	18,606
Brougham (rwd)	384	315	699	9,328	13,065
DeVille (fwd)	3,200	3,332	6,532	66,956	81,764
Allante	64	64	128	1,446	1,803
Total Cadillac	**3,648**	**3,711**	**7,359**	**97,782**	**125,674**
Cavalier	5,220	6,080	11,300	126,820	155,520
Camaro	1,605	1,515	3,120	22,769	31,151
Corsica/Beretta	7,536	8,161	15,697	121,307	133,004
Caprice	3,668	3,202	6,870	65,672	99,814
Corvette	502	468	970	10,934	11,373
Total Chevrolet	**18,531**	**19,426**	**37,957**	**347,582**	**436,862**
Calais	0	0	0	34,616	47,769
Cutlass Ciera	1,630	1,575	3,205	35,473	37,546
Cutlass Supreme	2,640	2,451	5,091	49,949	40,138
Toronado	0	0	0	2,778	8,562
88 (fwd)	3,400	1,877	5,277	29,801	48,030
Custom Cruiser Wag.††	230	245	475	4,949	2,295
98	2,000	1,763	3,763	35,455	27,574
Total Oldsmobile	**9,900**	**7,911**	**17,811**	**193,021**	**211,914**
Sunbird	2,650	3,061	5,711	58,594	72,552
Grand Am	0	0	0	87,060	95,110
Firebird	475	535	1,010	7,463	19,363
Grand Prix	3,072	2,373	5,445	47,055	53,351
Pontiac 6000	1,648	1,491	3,139	18,235	27,966
Bonneville	755	0	755	22,153	38,597
Total Pontiac	**8,600**	**7,460**	**16,060**	**240,560**	**306,930**
Total Saturn*	**2,131**	**2,131**	**4,262**	**31,379**	**0**
GENERAL MOTORS	**40,211**	**44,031**	**93,242**	**1,081,037**	**1,266,150**
DIAMOND-STAR*	**3,001**	**3,001**	**6,002**	**72,586**	**66,085**
Civic	1,870	2,011	3,881	43,014	57,424
Accord	6,620	7,467	14,087	166,229	148,829
HONDA	**8,490**	**9,478**	**17,968**	**209,243**	**206,253**
MAZDA*	**3,000**	**3,193**	**6,052**	**69,684**	**82,027**
NISSAN Sentra	**2,704**	**2,681**	**5,385**	**64,498**	**46,747**
Corolla	2,100	2,266	4,366	49,175	49,840
Geo Prizm	2,000	1,849	3,849	47,122	49,054
NUMMI	**4,100**	**4,115**	**8,215**	**96,297**	**98,894**
SUBARU-ISUZU Legacy	**1,100**	**1,126**	**2,292**	**28,116**	**12,821**
TOYOTA Camry	**4,300**	**4,236**	**8,536**	**102,728**	**103,372**
TOTAL BIG 3	**92,273**	**83,278**	**175,951**	**1,000,583**	**2,283,199**
TOTAL TRANSPLANT	**27,430**	**27,820**	**55,250**	**641,116**	**616,000**
TOTAL CARS, U.S.	**119,703**	**111,098**	**230,801**	**2,518,709**	**2,899,082**
TOTAL CARS, CANADA	**29,833**	**28,980**	**58,742**	**515,353**	**483,501**
U.S., CANADA CARS	**149,536**	**140,087**	**289,543**	**3,026,062**	**3,383,383**
U.S., CANADA CARS AND TRUCKS	**251,238**	**241,094**	**493,042**	**4,911,016**	**5,741,544**

*Estimate

†1990 totals reflect LeSabre (rwd) ††1990 totals reflect Olds. 88 (rwd)

*Mazda includes MX-6, 626 and Ford Probe; Diamond-Star includes Eagle Summit and Talon, Mitsubishi Eclipse and Mirage and Plymouth Laser; CAMI includes Geo Metro and Suzuki Swift cars and Geo Tracker and Suzuki Sidekick trucks.

CANADIAN CAR

	Week Ended June 15, 1991	Week Ended June 8, 1991	June to Date	Jan. 1 to June 15, 1991	Jan. 1 to June 16, 1990
Monaco	720	721	1,441	3,889	5,132
Premier	555	593	1,148	4,914	2,806
CHRYSLER CORP.	**1,275**	**1,314**	**2,589**	**8,803**	**7,940**
Tempo	3,702	3,501	7,203	54,324	61,763
Topaz	928	945	1,873	16,861	22,753
Crown Victoria	2,240	1,532	3,772	41,490	58,200
Grand Marquis	3,420	2,817	6,237	41,474	53,413
FORD MOTOR CO.	**10,290**	**8,795**	**19,085**	**154,149**	**195,219**
Celebrity	0	0	0	0	13,890
Cutlass Ciera	2,003	2,050	4,053	32,520	39,940
Lumina	6,865	6,999	13,864	102,922	104,765
Regal	2,970	3,217	6,187	54,936	38,925
GENERAL MOTORS	**11,838**	**12,266**	**24,104**	**193,210**	**197,529**
CAMI*	**2,500**	**2,530**	**5,030**	**58,188**	**0**
HONDA Civic	**2,200**	**2,200**	**4,400**	**58,640**	**58,911**
HYUNDAI Sonata	**150**	**200**	**350**	**14,186**	**9,818**
TOYOTA Corolla	**1,400**	**1,425**	**2,825**	**32,676**	**28,562**
VOLVO 740 and 940	**100**	**170**	**350**	**4,101**	**4,211**
TOTAL CARS, CANADA	**29,833**	**28,980**	**58,742**	**515,353**	**483,501**

U.S. TRUCK

Caravan	2,200	2,099	4,299	50,545	53,959
Dakota	1,900	2,044	3,944	36,715	35,978
Caravan C/V	50	173	223	2,121	3,390
Ram pickups	1,900	2,029	3,929	36,659	53,160
Total Dodge	**6,050**	**6,345**	**12,395**	**126,044**	**146,526**
Cherokee	4,200	4,282	8,482	57,959	80,685
Comanche	100	125	225	2,471	3,829
Grand Wagoneer	300	0	300	1,323	2,930
Wagoneer/Briarwood	50	53	103	1,314	1,974
Total Jeep	**4,650**	**4,460**	**9,110**	**63,067**	**89,418**
Voyager	1,900	3,463	5,363	42,461	51,079
Town & Country	50	91	141	1,576	1,705
Total C-P Div.	**1,950**	**3,554**	**5,504**	**44,037**	**52,784**
CHRYSLER CORP.	**12,650**	**14,359**	**27,009**	**233,148**	**288,728**
Aerostar	4,900	4,950	9,850	73,371	97,564
Bronco	356	336	692	6,114	25,824
Bronco II/Explorer	5,856	6,723	12,579	128,747	75,719
Navajo	95	124	219	5,633	0
Econoline	4,097	3,985	8,082	61,011	94,791
Mediums/Heavies	0	1,005	1,005	16,175	25,845
Light trucks	8,226	4,942	13,168	130,043	219,912
Ranger	6,291	6,381	12,672	118,692	141,332
FORD MOTOR CO.	**29,821**	**28,446**	**58,267**	**539,786**	**681,987**
Astro	2,465	2,754	5,219	46,759	55,868
Blazer	223	275	498	3,743	8,277
Lumina APV	1,282	1,292	2,574	18,769	47,259
Mediums/Heavies	229	215	444	1,966	4,744
P-Model	735	521	1,256	8,030	12,046
Pickups	6,146	6,693	12,839	118,194	165,831
S10	6,103	5,739	11,842	119,084	109,602
S10 Blazer	2,085	2,147	4,232	22,500	64,110
Sportsvan/Van	955	1,010	1,965	19,549	33,097
Suburban	786	886	1,672	12,329	32,071
Total Chevrolet	**21,009**	**21,532**	**42,541**	**370,923**	**532,905**
Jimmy	25	16	41	975	2,637
Mediums/Heavies	355	360	715	4,177	8,271
P-Model	81	36	117	1,436	1,430
Pickups	2,579	2,135	4,714	51,690	58,420
S15/Sonoma	1,532	1,619	3,151	26,101	26,289
S15 Jimmy	578	330	908	8,140	20,657
Safari	1,250	1,521	2,771	19,855	19,346
Suburban	455	568	1,023	11,281	15,878
Vandura/Rally Vans	555	429	984	9,382	11,821
Total GMC	**7,410**	**7,614**	**14,424**	**133,837**	**164,749**
Silhouette	608	589	1,197	9,504	16,593
Bravada	238	233	471	8,390	0
Total Oldsmobile	**846**	**822**	**1,668**	**17,894**	**16,593**
Pontiac Trans Sport	898	899	1,597	11,958	25,824
GENERAL MOTORS	**29,963**	**30,267**	**60,230**	**523,812**	**746,871**
NAVISTAR	**1,645**	**1,654**	**3,299**	**35,275**	**34,424**
NISSAN Pickup	**2,704**	**2,673**	**5,377**	**63,239**	**72,270**
SUBARU-ISUZU	**1,023**	**1,160**	**2,183**	**23,247**	**11,783**
AM GENERAL	**400**	**400**	**800**	**9,050**	**10,800**
MISCELLANEOUS**	**2,050**	**2,050**	**5,300**	**83,420**	**72,500**
TOTAL TRUCKS, U.S.	**80,850**	**81,000**	**162,465**	**1,501,577**	**1,911,747**

CANADIAN TRUCK

Caravan	3,540	3,282	6,822	67,816	76,591
Caravan C/V	114	236	350	11,870	5,919
Ram Wagon	675	638	1,313	10,357	13,279
Ram Van	1,245	1,215	2,460	18,377	28,910
Total Dodge	**5,574**	**5,371**	**10,945**	**108,422**	**124,389**
Plymouth Voyager	2,610	2,584	5,294	40,984	61,940
Jeep Wrangler	1,500	1,627	3,127	26,560	27,451
CHRYSLER CORP.	**9,684**	**9,582**	**19,276**	**184,966**	**213,780**
FORD F series	**2,987**	**2,996**	**5,983**	**45,944**	**70,535**
Light trucks	3,443	3,205	6,648	63,515	81,943
Vans	1,520	1,276	2,796	24,734	23,436
Total Chevrolet	**4,963**	**4,481**	**9,444**	**88,249**	**105,379**
Light trucks	1,232	1,108	2,340	25,244	31,328
Vans	625	666	1,291	10,006	10,630
Total GMC	**1,857**	**1,774**	**3,631**	**35,340**	**41,958**
GENERAL MOTORS	**6,820**	**6,255**	**13,075**	**123,589**	**147,337**
CAMI*	**1,100**	**1,181**	**2,301**	**25,986**	**0**
NAVISTAR	**165**	**164**	**329**	**3,494**	**4,823**
TOTAL TRKS., CANADA	**20,846**	**20,186**	**41,034**	**383,979**	**436,494**
U.S., CANADA TRKS.	**101,702**	**101,707**	**203,409**	**1,885,556**	**2,348,241**

**Estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz.

May contain error of one or two units due to rounding.

Output passes 4 million; trails '90 by 3 weeks

By Bob DeMayer
SPECIAL CORRESPONDENT

Total car and truck production in the United States surpassed four million units for the year last Friday. In 1990, the four-million mark was reached three weeks earlier.

Carmakers scheduled 119,703 automobiles last week, 7.75 percent above the preceding week but 17.16 percent below the year-ago week.

Year-to-date, U.S. car production is 2,510,709, down 13.42 percent from last year.

Truckmakers planned to build 80,856 trucks last week, 0.92 percent below the prior week and 14.76 percent below last year.

So far this year, 1,501,577 trucks have been assembled, 21.46 percent below last year's total at this time.

Automakers split last week's estimated production as follows: General Motors, 41.11 percent; Ford Motor Co., 25.11 percent; Chrysler Corp., 10.86 percent; Honda of America Manufacturing Inc., 7.09 percent; Toyota Motor Manufacturing U.S.A. Inc., 3.59 percent; New United Motor Manufacturing Inc., 3.43 percent; Mazda Motor Manufacturing (USA) Corp., 3.07 percent; Diamond-Star Motors Corp., 2.51 percent; Nissan Motor Manufacturing Corp., 2.26 percent, and Subaru-Isuzu Automotive Inc., 0.97 percent.

GM scheduled two shifts of overtime last Saturday at its Pontiac, Mich., (West) truck plant and one shift of overtime at its Detroit truck assembly plant.

In addition, GM scheduled two shifts of overtime last Saturday at its Arlington, Texas; Fairfax, Kan.; and Wilmington, Del., car plants. Arlington produces the Cadillac Brougham and Chevrolet Caprice sedan. The Pontiac Grand Prix is made at Fairfax, and Wilmington produces the Chevrolet Corsica and Beretta.

Ford announced that its Michigan Truck (Wayne) plant will remain on one shift until June 24. The plant builds Ford Bronco and F-series light trucks.

CANADA: Canadian car production was estimated at 29,833 last week, up 3.20 percent from the prior week and up 17.53 percent from the year-ago week.

Truck production last week was estimated at 20,846, up 3.26 percent from the previous week but 1.35 percent below the year-ago week.

Year-to-date, truck production in Canada is 383,979, down 12.03 percent from the year-ago tally.

NOTE

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35, 36, 37

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Automotive News

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Feds turn up trade pressures on Japanese

Series of actions fans pro-U.S. fires

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

The U.S. government struck three blows at Japan's carmakers last week, raising new trade pressure on the Japanese.

- The U.S. Customs Service confirmed that it is investigating whether Honda Motor Co. is dumping Canadian-made Civics into the United States and misreporting content information on the cars.

The not-yet-complete audit by Customs, a division of the U.S. Treasury, calculates that Honda's Civic hatchbacks contain fewer North American parts than Honda claims, a finding that could cost Honda up to $20 million in duty payments.

- Responding to a Big 3 request three weeks earlier, the U.S. International Trade Commission said it will initiate an anti-dumping investigation to determine whether Japanese manufacturers are selling minivans in this country at unfairly low prices.

The Big 3 charge is aimed chiefly at Toyota Motor Corp. and Mazda Motor Corp. and could eventually force prices higher on Japanese minivans through imposition of tariffs.

- The U.S. Treasury Department indicated that it would officially reject claims by CAMI Automotive Inc., a Canadian joint venture between Suzuki Motor Co. Ltd. and General Motors, that it is meeting the requirements of the U.S.-Canada Free Trade Agreement. Unless challenged by the Canadian government, that ruling would mean that most of the Suzuki cars and trucks coming into the United States will be slapped with new import tariffs, and that GM and Suzuki could be forced to pay millions in back tariffs on their CAMI cars.

Treasury's position on CAMI is expected to be stated in a draft ruling to be released this week.

Also last week, an influential industry group recommended that Congress initiate anti-dumping charges against the Japanese parts industry, saying that "Japanese dumping of auto parts is rampant."

The same group, the Auto Parts Advisory Committee, also asked Congress to begin preparing "Section 301" proceedings against Japan because of what it called the Japanese government's failure to "stop anti-competitive actions in auto parts trade." (See story on parts sales, Page 35.)

If carried out by Congress, a Section 301 action would label Japan an unfair trading partner and could severely restrict the sale of Japanese products in the United States.

Washington's moves against the Japanese auto industry follow mounting frustration

see TRADE, page 34

Mazda, Toyota deny dumping charges

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Mazda and Toyota defended themselves against dumping charges Friday, saying their minivans cost more than the competition and portraying themselves as Davids in a market dominated by Big 3 Goliaths.

In their first public response to accusations that they are dumping minivans in the U.S. market, the two companies noted that unlike their domestic competitors they have

see DUMPING, page 34

New turbocharged Cedric Brougham VIP will be widely used as a taxi and company car in Japan.

Nissan plays it conservative with Cedric update

TOKYO — Nissan Motor Co. last week introduced its newly remodeled luxury entry, the Cedric-Gloria, with hopes of taking a commanding lead in what has become the strongest selling segment of the Japanese market.

But the throw-back look of the new model surprised observers, who had been expecting Nissan to use the Cedric-Gloria as a signpost to the company's next-generation styling direction. Instead, in an apparent nod to what is still a very conservative segment of the Japanese market, the new version clings to the 1970s lines of its predecessor.

The car, Nissan's top-of-the-line model before the launch of the Infiniti, is widely used as a taxi and company car in Japan.

At 191.2 inches long, a width of 69.8 inches and height of 55.6, the new Cedric/Gloria is larger overall than its predecessor. It will be priced at 1.9 million yen to 4.3 million yen (about $13,600 to $31,000) in Japan. Nissan said it expects to sell 12,000 units a month in Japan.

— Mary Ann Maskery

Orbital 'advisor' touts firm as hot investment

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

A Washington investment firm, which is trying to persuade Congress to raise fuel economy standards on behalf of Orbital Engine Co. USA, is promoting Orbital as a hot financial opportunity.

Orbital is involved in a web of governmental and financial activities that might be aimed at making the two-stroke engine developer a more appealing investment. The company acknowledges it is looking at financial markets.

Orbital "is the hottest property since the birth control pill," claims a written statement submitted to *Automotive News* last week by Government Investment Management Corp.

Memos from Government Investment Management President Anthony Stout to Orbital Chairman Ken Johnsen and to an influential Washington environmentalist show that Stout has been trying to enlist environmental groups to scuttle any compromise on raising fuel economy standards.

Automotive News and its sister publication, *Crain's Detroit Business*, disclosed last week that Stout is Orbital's self-described "government advisor." The memos to Johnsen show that Stout has been trying to line up environmental groups to "front" for Orbital to persuade Congress to raise corporate average fuel economy standards substantially.

The campaign was being conducted quietly so Orbital wouldn't upset its two main North American customers, General Motors and Ford Motor Co., which hold licenses for Orbital technology and which oppose increases in CAFE. Last week, GM and Ford declined comment on the campaign to use Orbital as an argument for a much higher CAFE.

Meanwhile, both Orbital and Stout's firm say Orbital is not paying Stout. Orbital President William Kaska said he knows Stout, but that Stout is acting on his own. The companies have refused to discuss their relationship.

see ORBITAL, page 35

White's exit fuels Iacocca rumors

Chrysler VP's retirement may signal coming end of Iacocca era

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Glenn E. White's decision to retire from Chrysler Corp. by year end is fueling speculation within the company that Chairman Lee Iacocca is considering reducing his day-to-day role in the corporation.

The company confirmed last week that White, vice president of personnel, administration and development, will retire by the end of 1991. He will be 65 on Aug. 21.

White has served as a valued adviser and counselor to Iacocca over the years and is one of less-than-a-handful of executives within Chrysler to have abundant access to the chairman. That group has dwindled in recent months.

White has abundant access to Iacocca

White's impending retirement will leave only corporate planning vice president Thomas G. Denomme remaining in the unofficial role of "cabinet" member advisor to Iacocca, according to one well-placed company source.

Iacocca, who will turn 67 Oct. 15, has never made clear his own plans for retirement. Under an agreement reached with the company's board of directors last June, Iacocca agreed to remain chairman indefinitely beyond the expiration of his present contract on Dec. 31, 1991.

Iacocca has suggested that he might consider a reduced role in the corporation but has not delin-

see CHRYSLER, page 35

Workers take Saturns home, rack up miles, check for bugs

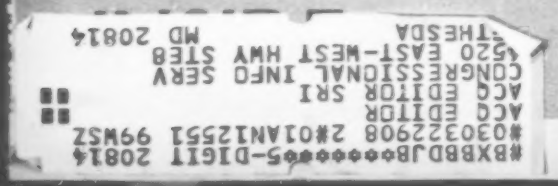
By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

SPRING HILL, Tenn. — Saturn Corp. hopes to revise slightly the definition of "new car."

Many Saturn buyers will soon discover that somebody has already put as many as 100 miles on their supposedly brand-new cars. They will even learn that their spotless sedan or coupe sat in somebody else's driveway — maybe even with somebody else's family cat asleep on the roof.

The innovative General Motors subsidiary is launching a program that will send its cars

see SATURN, page 37



Green sweep

The high costs of meeting existing federal, state and local environmental regulations can cost dealers hundreds of thousands of dollars, and have forced many dealers out of the body shop business. Story on Page 3.